

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 3048 - HB 3388

February 22, 2010

SUMMARY OF BILL: Requires the Commissioner of Revenue to remove from the directory of authorized tobacco product manufacturers any non-participating manufacturer that fails to pay escrow obligations under the law of any other state or jurisdiction.

ESTIMATED FISCAL IMPACT:

State Revenue – Net Impact – Not Significant

Local Revenue – Net Impact – Not Significant

Assumptions:

- The Department of Revenue (DOR) indicates that the Department would drop any tobacco manufacturer from the state listing when such manufacturer is dropped from another state's listing.
- DOR further indicates that demand for cigarettes will not be impacted because the market would adjust to supply substitute brands in the quantities that the dropped supplier would have sold. As a result, any net impact to tobacco tax revenue or state or local sales and use tax revenue is considered to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

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